

## Getting to Know the Medicare Prescription Drug Benefit: What Will It Cost Me?

*Beginning January 1, 2006, Medicare will expand to include prescription drug coverage, to be known as “Part D”. Although coverage will not be available until next year, Medicare beneficiaries will be able to enroll in a Part D plan beginning November 15, 2005. Throughout the coming months, the Grant County Center on Aging's Benefit Specialist Program will be doing its part to ensure that Medicare beneficiaries have the information they need to understand the new Part D benefit and to make informed choices regarding their drug coverage.*



Understandably, Medicare beneficiaries want to know how much they will have to pay for this new Medicare prescription drug benefit. Unfortunately, the answer to that question is not a simple one. A beneficiary's costs for prescription drug coverage through Medicare will depend upon a number of factors including: the particular Part D plan selected; specific medication needs; and financial situation.

Most Medicare beneficiaries will have to pay a monthly premium for Part D coverage, a deductible, and other out-of-pocket costs. Some Medicare beneficiaries will receive assistance in meeting these costs.

This assistance is referred to as a low-income subsidy.

Individuals who qualify for a low-income subsidy may not have to pay a monthly premium or deductible and will have lower overall out-of-pocket costs.



The federal government is planning to send two mailings regarding low-income subsidies to Medicare beneficiaries of limited financial means. (Not all Medicare beneficiaries will receive these letters.)

These letters will be sent during the Spring and Summer of this year and are described in turn below.

- Although Medicare Part D does not begin until January 1, 2006, Social Security will be mailing letters from late May through mid-August of *this year* to Medicare beneficiaries who may be eligible for assistance in meeting Part D out-of-pocket costs once the benefit begins *next year (January 1, 2006)*. The letters from Social Security will include an application for the low-income subsidy.
- The Grant County Center on Aging's Benefit Specialist program

will be presenting information to the public about the new Medicare D benefits throughout the month of May per the schedule listed below. Benefit Specialist Program staff and Social Security staff will be available throughout the County during June, July and August to assist with completion of the Low-Income Subsidy application forms. If you do not receive one of these letters and want to know if you will be eligible for assistance in meeting Part D costs, contact the Benefit Specialist program at 723-6113 or 1-800-514-0066.

- Medicare will send letters beginning in mid-May of this year to Medicare beneficiaries who will be automatically eligible for a low-income subsidy. Since individuals who receive this letter are automatically eligible for assistance in meeting Part D costs, they will not have to apply for assistance. If you receive one of these letters and have any questions or if you have any other questions regarding assistance that will be available to meet Part D costs, contact the Benefit Specialist Program at 723-6113 or 1-800-514-0066.